

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

SAMUEL E. WYLY and DONALD R. MILLER,
JR., in his capacity as the Independent Executor
of the Will and Estate of Charles J. Wyly, Jr.,
MICHAEL C. FRENCH, and LOUIS J.
SCHAUFELE III,

Defendants,

and

CHERYL WYLY, EVAN ACTON WYLY,
LAURIE WYLY MATTHEWS, DAVID
MATTHEWS, LISA WYLY, JOHN GRAHAM,
KELLY WYLY O'DONOVAN, ANDREW
WYLY, CHRISTIANA WYLY, CAROLINE D.
WYLY, MARTHA WYLY MILLER, DONALD
R. MILLER, JR. in his individual capacity,
CHARLES J. WYLY III, EMILY WYLY
LINDSEY, JENNIFER WYLY LINCOLN,
JAMES W. LINCOLN, and PERSON, TRUSTS,
LIMITED PARTNERSHIPS, AND OTHER
ENTITIES KNOWN AND UNKNOWN,

Relief Defendants.

Relief Defendants Jennifer Wyly Lincoln and James W. Lincoln (collectively, "Relief Defendants") through their counsel, and Plaintiff, the Securities and Exchange Commission ("SEC"), hereby stipulate as follows:

WHEREAS, in May 2013, Lindum Management GP, LLC, as general partner, entered into a limited partnership agreement with The Gemini Trust and The JWL Trust, to establish an investment firm named Lindum Developments, II LP ("Lindum");

WHEREAS, Lindum Management GP, LLC holds a 1% partnership interest in Lindum, The JWL Trust holds a 52.4% partnership interest in Lindum, and The Gemini Trust holds a 46.6% partnership interest in Lindum;

No. 1:10-cv-05760-SAS

STIPULATION AND
[PROPOSED] ORDER

WHEREAS, James Lincoln is the Manager of Lindum Management GP, LLC, which is wholly owned by James Lincoln and Jennifer Lincoln;

WHEREAS, during 2013 and 2014 Lindum invested the vast majority of its capital in multiple business and other investments, including real estate;

WHEREAS, Lindum has a salaried employee who is responsible for handling administrative and operational functions for Lindum;

WHEREAS, Lindum has certain outstanding legal expenses associated with its portfolio companies and other outstanding and recurring operating expenses;

WHEREAS, on or about October 17, 2014, Lindum entered into a contract for the sale of a residential property located at 2047 Bayview Drive, Irving, Texas 75060, for \$177,000 ("the Bayview Sale") as the seller (See HUD-1 document related to the Sale as **EXHIBIT A**);

WHEREAS, the buyer in the Bayview Sale is a *bona fide* purchaser who is not a relative of the Relief Defendants or the Defendants;

WHEREAS, the Bayview Sale is scheduled to close on or before November 30, 2014;

WHEREAS, in connection with the Bayview Sale, Lindum is responsible for the payment of utility bills on the property until such closing occurs;

WHEREAS, on November 3, 2014, the Court entered an order in the above-referenced action temporarily freezing particular assets held by the Relief Defendants (the Freeze Order");

IT IS HEREBY STIPULATED AND AGREED THAT:

1. Lindum may continue to pay the salary of its employee;
2. Lindum may pay its current outstanding legal expenses and outstanding and recurring operating expenses;
3. The Relief Defendants will not be deemed to have violated the Freeze Order as a result of Lindum continuing to pay its employee or pay its current outstanding legal expenses and outstanding and recurring operating expenses;
4. Lindum may proceed with the Bayview Sale closing and may pay all utility bills associated with the property until such closing occurs;
5. The Relief Defendants will not be deemed to have violated the Freeze Order by proceeding with the Bayview Sale and paying all utility bills associated with the property until such closing occurs;
6. Monies to be disbursed may be lawfully paid to all parties involved in the Bayview Sale, as set forth in EXHIBIT A, and the funds disbursed to Lindum will be maintained in Lindum's BBVA Compass bank account (ending 9634) and used only to pay Lindum's outstanding and recurring legal and operating expenses.

Dated: November 26, 2014
New York, New York

VENABLE LLP

By: 

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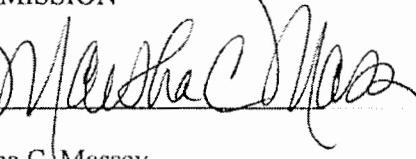
Michael J. Rivera, Of Counsel

*Attorneys for Relief Defendants Jennifer Wyly
Lincoln and James W. Lincoln*

SO ORDERED, this day of November 26, 2014

Dated: November 26, 2014
Washington, D.C.

U.S. SECURITIES AND EXCHANGE
COMMISSION

By: 

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*Attorney for Plaintiffs Securities and
Exchange Commission*



HONORABLE SHIRA A. SCHEINDLIN
UNITED STATES DISTRICT JUDGE



A. Settlement Statement (HUD-1)

B. Type of Loan			
1. <input checked="" type="checkbox"/> FHA 2. <input type="checkbox"/> RHS 3. <input type="checkbox"/> Conv Unins 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv Ins. 6. <input type="checkbox"/> Seller Fin 7. <input type="checkbox"/> Cash Sale.		6. File Number 14-198005-PC	7. Loan Number 8120285508
<p>C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</p>			
D. Name & Address of Borrower George Varghese and Jolly George		E. Name & Address of Seller Lindum Developments II LP 300 Crescent Ct. # 850 Dallas, TX 75201	F. Name & Address of Lender Caliber Home Loans, Inc. 3701 Regent Blvd., Ste. 200 Irving, TX 75063
G. Property Location Lakeway Village Addition, Block A, Lot 25, Dallas County 2047 Bayview Drive Irving, TX 75060		H. Settlement Agent Name Capital Title of Texas, LLC - Park Cities 7001 Preston Rd., Suite 120 Dallas, TX 75205 214-219-7300 Underwritten By: Stewart	I. Settlement Date 11/21/2014 Fund:
		Place of Settlement Capital Title of Texas, LLC - Park Cities 7001 Preston Road, Suite 120 Dallas, TX 75205	
J. Summary of Borrower's Transaction			
100. Gross Amount Due from Borrower			
101. Contract sales price			
102. Principal Reduction			
103. Settlement charges to borrower			
104.			
105.			
Adjustments for items paid by seller in advance			
106. City Property Taxes			
107. County Property Taxes 11/22/14 thru 12/31/14			
108. Annual Assessments			
109. School Property Taxes 11/22/14 thru 12/31/14			
110. MUD Taxes			
111. Other Taxes			
112.			
113.			
114.			
115.			
116.			
120. Gross Amount Due From Borrower			
200. Amounts Paid By Or in Behalf Of Borrower			
201. Deposit or earnest money			
202. Principal amount of new loan(s)			
203. Existing loan(s) taken subject to			
204.			
205.			
206.			
207.			
208. Portion of Owner's Policy Paid by Seller			
209. Repair Allowance			
Adjustments for items unpaid by seller			
210. City Property Taxes			
211. County Property Taxes			
212. Annual Assessments			
213. School Property Taxes			
214. MUD Taxes			
215. Other Taxes			
216.			
217.			
218.			
219.			
220. Total Paid By/For Borrower			
300. Cash At Settlement From/To Borrower			
301. Gross Amount due from borrower (line 120)			
302. Less amounts paid by/for borrower (line 220)			
303. Cash From Borrower			
K. Summary of Seller's Transaction			
400. Gross Amount Due to Seller			
401. Contract sales price \$177,000.00			
402. Personal property			
403.			
404.			
405.			
Adjustments for items paid by seller in advance			
406. City Property Taxes			
407. County Property Taxes 11/22/14 thru 12/31/14 \$225.46			
408. Annual Assessments			
409. School Property Taxes 11/22/14 thru 12/31/14 \$257.18			
410. MUD Taxes			
411. Other Taxes			
412.			
413.			
414.			
415.			
416.			
420. Gross Amount Due to Seller \$177,482.64			
500. Reductions in Amount Due to Seller			
501. Excess deposit (see instructions)			
502. Settlement charges to seller (line 1400) \$11,150.80			
503. Existing loan(s) taken subject to			
504. Payoff Mowing Lien \$369.88			
505. 2014 Property Taxes (County & City) \$2,057.29			
506. 2014 Property Taxes (School) \$2,346.80			
507. (EMD \$1,500 Disbursed as Proceeds)			
508. Portion of Owner's Policy Paid by Seller \$1,303.80			
509. Repair Allowance \$1,500.00			
Adjustments for items unpaid by seller			
510. City Property Taxes			
511. County Property Taxes			
512. Annual Assessments			
513. School Property Taxes			
514. MUD Taxes			
515. Other Taxes			
516.			
517.			
518.			
519.			
520. Total Reduction Amount Due Seller \$18,728.57			
600. Cash At Settlement To/From Seller			
601. Gross Amount due to seller (line 420) \$177,482.64			
602. Less reductions in amt. due seller (line 520) \$18,728.57			
603. Cash To Seller \$158,754.07			

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

POC (B) – Paid Outside of Closing by Borrower. POC (S) – Paid Outside of Closing by Seller. POC (L) – Paid Outside of Closing by Lender.

L. Settlement Charges

700. Total Real Estate Broker Fees	\$10,620.00	Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:			
701. \$5,310.00	to Ultima Real Estate		
702. \$5,310.00	to Beam Real Estate, LLC		
703. Commission Paid at Settlement			\$10,620.00
704.	to		
705. The following persons, firms or	to		
706. corporations received a portion of	to		
707. the real estate commission amount	to		
708. shown above:	to		
800. Items Payable in Connection with Loan			
801. Our origination charge	\$0.00	(from GFE #1)	
802. Your credit or charge (points) for the specific rate chosen	\$0.00	(from GFE #2)	
803. Your adjusted origination charges	to	(from GFE A)	
804. Appraisal Fee	to	(from GFE #3)	
805. Credit report	to	(from GFE #3)	
806. Tax service	to	(from GFE #3)	
807. Flood certification	to	(from GFE #3)	
900. Items Required by Lender To Be Paid in Advance			
901. Daily interest charges from 11/21/2014 to 12/1/2014 @ \$0/day		(from GFE #10)	
902. Mortgage Insurance Premium for months to		(from GFE #3)	
903. Homeowner's insurance for years to		(from GFE #11)	
1000. Reserves Deposited With Lender			
1001. Initial Deposit for your escrow account		(from GFE #9)	
1002. Homeowner's insurance	months @	per month	
1003. Mortgage insurance	months @	per month	
1004. City Property Taxes	months @	per month	
1005. County Property Taxes	months @	\$171.44 per month	
1006. Annual Assessments	months @	per month	
1007. School Property Taxes	months @	\$195.57 per month	
1008. MUD Taxes	months @	per month	
1009. Other Taxes	0 months @		
1010. Other Taxes	0 months @		
1011. Aggregate Adjustment			
1100. Title Charges			
1101. Title services and lender's title insurance	to Capital Title of Texas	(from GFE #4)	
1102. Settlement or Closing Fee	to Capital Title of Texas	\$325.00	\$325.00
1103. Owner's title insurance	to Capital Title of Texas	(from GFE #5)	
1104. Lender's title insurance	to Capital Title of Texas	\$100.00	
1105. Lender's title policy limit \$	\$132,750.00/\$197.80		
1106. Owner's title policy limit \$	\$177,000.00/\$1,367.10		
1107. Agent's portion of the total title insurance premium	to Capital Title of Texas	\$1,330.16	
1108. Underwriter's portion of the total title insurance premium	to	\$234.74	
1109. Guaranty Assessment Recoupment Charge	to Texas Title Insurance Guaranty Association	\$1.80 (from GFE #4)	\$0.00
1110. Guaranty Assessment Recoupment Charge	to Texas Title Insurance Guaranty Association	\$1.80 (from GFE #5)	\$0.00
1111. Courier Fee	to Capital Title of Texas	\$25.00 (from GFE #4)	\$25.00
1112. Doc Prep	to Shaddock & Associates, P.C.	(from GFE #4)	\$95.00
1113. Tax Certificate	to United Tax Service, Inc.	(from GFE #4)	\$59.80
1114. eRecording Fee for Buyer/Borrower	to United eRecording	\$18.00 (from GFE #4)	\$0.00
1115. Notary Service	to	(from GFE #4)	\$0.00
1116. Survey Amend Residential	to Capital Title of Texas	\$65.10	
1117. Tax deletion (MTP & Binder On)	to Capital Title of Texas	\$20.00	
1118. T-19.2 LP Minerals&Surf Damag	to Capital Title of Texas		
1119. T-36 Environmental Protection	to Capital Title of Texas	\$25.00	
1120. T19 Res. Endorsement	to Capital Title of Texas	\$52.80	
1200. Government Recording and Transfer Charges			
1201. Government recording charges		(from GFE #7)	
1202. Deed \$30.00 , Mortgage \$94.00 , Release \$26.00	to Capital Title of Texas		\$26.00
1203. Transfer taxes		(from GFE #8)	
1204. City/County tax/stamps	Deed \$0.00 ; Mortgage \$0.00		
1205. State tax/stamps	Deed \$0.00 ; Mortgage \$0.00		
1206. eRecording for Seller	to United eRecording		
1300. Additional Settlement Charges			
1301. Required services you can shop for		(from GFE #6)	
1302. Survey	to Premier Surveying LLC	\$568.31 (from GFE #6)	\$0.00
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			\$11,150.80

File No. 14-198005-PC

POC (B) – Paid Outside of Closing by Borrower. POC (S) – Paid Outside of Closing by Seller. POC (L) – Paid Outside of Closing by Lender.

File No. 14-198005-PC

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

Lindum Developments II LP

George Varghese

By

Jolly George

SETTLEMENT AGENT CERTIFICATION

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.

Settlement Agent _____ Date _____
Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.